

Bao Viet Securities Joint Stock Company

Financial safety ratio report

30 June 2023



Bao Viet Securities Joint Stock Company

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Bao Viet Securities Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Bao Viet Securities Joint Stock Company (“the Company”) is a joint-stock company established under Vietnamese Enterprise Law pursuant to Incorporation Licence No. 4640/GP-UB dated 1 October 1999 granted by the Hanoi People’s Committee, Business Licence No. 01/GPHDKD dated 26 November 1999 granted by the State Securities Commission and Amended Certificate of Securities Operating License No.01/GPHDKD, which was granted under Decision No. 03/GPĐC-UBCK dated 10 January 2022 issued by the State Securities Commission.

BVSC is a listed securities company on Vietnam’s stock market and aims at contributing to the development of Vietnam’s stock market as well as bringing benefit to its clients, its investors and its shareholders.

The current principal activities of the Company are to provide brokerage services, custodian services, proprietary trading, underwriting and issuance agency services, financial advisory, securities investment advisory services and other financial services under the regulations of the Ministry of Finance.

The Company’s head office is located at 1st, 4th and 7th floors, No. 8, Le Thai To Street, Hoan Kiem District, Hanoi and its Ho Chi Minh branch is located at Bao Viet Building, No. 233, Dong Khoi Street, District 1, Ho Chi Minh City.

As at 30 June 2023, the Company’s charter capital was VND 722,339,370,000 and owners’ equity was VND 2,293,910,580,658.

BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are:

Mr. Nguyen Hong Tuan	Chairman	Reappointed on 22 June 2020
Mr. Nguyen Anh Tuan	Member	Reappointed on 22 June 2020
Mr. Nhu Dinh Hoa	Member	Reappointed on 22 June 2020
Mr. Nguyen Quang Hung	Member	Reappointed on 22 June 2020
Mr. Le Xuan Nam	Member	Appointed on 22 June 2020

BOARD OF SUPERVISION

Members of the Board of Supervision during the period and at the date of this report are:

Mr. Nguyen Xuan Hoa	Head of the Board	Appointed on 22 June 2020
Mr. Hoang Giang Binh	Member	Appointed on 22 June 2020
Ms. Nguyen Thi Thanh Van	Member	Appointed on 22 June 2020

BOARD OF MANAGEMENT

Members of the Board of Management during the period and at the date of this report are:

Mr. Nhu Dinh Hoa	Chief Executive Officer	Reappointed on 5 May 2022
Mrs. Nguyen Thi Thanh Thuy	Deputy Chief Executive Officer	Reappointed on 15 July 2022

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Nhu Dinh Hoa - Chief Executive Officer.

AUDITORS

The auditors of the Company are Ernst & Young Vietnam Limited.

Bao Viet Securities Joint Stock Company

REPORT OF MANAGEMENT

The Board of Management of Bao Viet Securities Joint Stock Company (“the Company”) is pleased to present its report and the financial safety ratio report of the Company as at 30 June 2023.

BOARD OF MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE FINANCIAL SAFETY RATIO REPORT

The Board of Management of the Company confirmed that it has complied with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratio and remedies applicable to securities companies that fail to meet the stipulated financial safety ratio (“Circular 91”) and Note 2.1 to the financial safety ratio report in the preparation and presentation of the financial safety ratio report as at 30 June 2023.

STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management of the Company does hereby state that, in its opinion, the accompanying financial safety ratio report is prepared in accordance with the requirements of Circular 91 and Note 2.1 of the financial safety ratio report.

On behalf of the Board of Management:



Mr. Nhu Dinh Hoa
Chief Executive Officer

Hanoi, Vietnam

11 August 2023

Reference No: 12816353/E-66971068/ATTC/LR

REVIEW REPORT ON FINANCIAL SAFETY RATIO REPORT

**To: The Shareholders of
Bao Viet Securities Joint Stock Company**

We have reviewed the accompanying financial safety ratio report of Bao Viet Securities Joint Stock Company (“the Company”) as at 30 June 2023 prepared on 11 August 2023 and set out on pages 5 to 31. The financial safety ratio report has been prepared by the Company’s Management in accordance with the regulations under Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratio and remedies applicable to securities companies that fail to meet the stipulated financial safety ratio (“Circular 91”) and Note 2.1 to the financial safety ratio report.

Board of Management’s responsibility

The Company’s Board of Management is responsible for the preparation and presentation of the financial safety ratio report in accordance with Circular 91 and Note 2.1 to the accompanying financial safety ratio report, and for such internal control as management determines necessary to enable the preparation and presentation of the financial safety ratio report to be free from material misstatement, whether due to fraud or error.

Auditors’ responsibility

Our responsibility is to express a conclusion on the financial safety ratio report based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial safety ratio report is not prepared and presented, in all material aspects, in accordance with Circular 91 and Note 2.1 to the financial safety ratio report.

Basis of preparation and restriction on use of review report

We draw attention to Note 2.1 and Note 3 to the financial safety ratio report, which describes the applicable regulations and the summary of significant policies for the preparation of financial safety ratio report. As also described in Note 2.2, the financial safety ratio report is prepared to comply with the regulations on preparation and disclosure of the financial safety ratio report of the Company. As a result, this report may not be suitable for other purposes.

Ernst & Young Vietnam Limited



Dang Phuong Ha
Deputy General Director
Audit Practising Registration
Certificate No. 2400-2023-004-1

Hanoi, Vietnam

11 August 2023

BAO VIET SECURITIES JOINT STOCK
COMPANY

Dispatch No: /2023/BVSC-TCKT
_____o0o_____

Re: financial safety ratio report

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

_____o0o_____

Hanoi, 11 August 2023

FINANCIAL SAFETY RATIO REPORT

As at: 30 June 2023

To: **State Securities Committee**

We hereby confirm that:

- (1) The report is prepared on the basis of updated data at the reporting date and in accordance with the regulations under Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratio and remedies applicable to securities companies that fail to meet the stipulated financial safety ratio;
- (2) Subsequent events after the date of this report that can have effects on the financial position of the Company will be updated in the next reporting period;
- (3) We bear full legal responsibility for the accuracy and truthfulness of the contents of the report.



Ms. Nguyen Hong Thuy
Chief Accountant



Mr. Le Thinh Vuong
Deputy Head of Legal and
Internal control



Mr. Nhu Dinh Hoa
Chief Executive Officer

Hanoi, Vietnam

11 August 2023

Bao Viet Securities Joint Stock Company

FINANCIAL SAFETY RATIO REPORT
as at 30 June 2023

SYNTHESIZING TABLE ON EXPOSURES TO RISKS AND LIQUID CAPITAL

Unit: VND

No	Items	Notes	Exposures to risk/ Liquid capital
1	Total exposures to market risk	4	182,878,244,086
2	Total exposures to settlement risk	5	110,379,969,788
3	Total exposures to operational risk	6	114,649,806,124
4	Total exposures to risks (4=1+2+3)		407,908,019,998
5	Liquid capital	7	2,193,457,627,159
6	Liquid capital ratio (6=5/4) (%)		538%



Ms. Nguyen Hong Thuy
Chief Accountant



Mr. Le Thinh Vuong
Deputy Head of Legal and
Internal control



Mr. Nhu Dinh Hoa
Chief Executive Officer

Hanoi, Vietnam

11 August 2023

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT
as at 30 June 2023

1. THE COMPANY

Bao Viet Securities Joint Stock Company (“the Company”) is a joint-stock company established in Vietnam under Incorporation Licence No. 4640/GP-UB dated 01 October 1999 by the Hanoi People’s Committee, Business Licence No. 01/GPHDKD dated 26 November 1999 by the State Securities Commission and Amended Certificate of Securities Operating License No. 01/GPHDKD, which was granted under Decision No. 03/GPĐC-UBCK dated 10 January 2022 issued by the State Securities Commission.

The current principal activities of the Company are to provide brokerage services, custodian services, proprietary trading, underwriting and issuance agency services, financial advisory, securities investment advisory services and other financial services under the regulations of the Ministry of Finance.

As at 30 June 2023, the Company’s head office is located at 1st, 4th and 7th floors, 8 Le Thai To Street, Hang Trong Ward, Hoan Kiem District, Hanoi and its Ho Chi Minh branch is located at Bao Viet Building, No. 233. Dong Khoi Street, District 1, Ho Chi Minh City.

The Company has transaction offices as follows:

Name	Address
1. Transaction office at Head Office (Hanoi)	1 st floor, 8 Le Thai To, Hoan Kiem District, Hanoi
2. Transaction office No.1 (Hanoi)	94 Ba Trieu Str., Hoan Kiem District, Hanoi
3. Transaction office Thanh Xuan (Hanoi)	Floor 10, Hapulico Tower, No.1 Nguyen Huy Tuong, Thanh Xuan District, Hanoi
4. Transaction office Thanh Cong (Hanoi)	Floor 10, 88 Lang Ha Sky City Building, Dong Da District, Hanoi
5. Branch transaction office (Ho Chi Minh City)	11 Nguyen Cong Tru Str., District 1, Ho Chi Minh City
6. Transaction office Cao Thang (Ho Chi Minh City)	81 Cao Thang Str., District 3, Ho Chi Minh City
7. Transaction office 233 Dong Khoi (Ho Chi Minh City)	G floor, Bao Viet Building, 233 Dong Khoi Str., District 1, Ho Chi Minh City
8. Transaction office 174 Le Hong Phong (Ho Chi Minh City)	G & 1 st floor, 174 Le Hong Phong Str., District 5, Ho Chi Minh City

Main features of operation of the Company

Charter capital

As at 30 June 2023, the Company’s charter capital was VND 722,339,370,000, owners’ equity was VND 2,293,910,580,658 and total assets was VND 5,033,311,433,533.

Investment objective

As a listed securities company in the Vietnam’s stock market, the Company’s current principal business activities are to provide brokerage services, custodian services, proprietary trading, underwriting, financial advisory, securities investment advisory services and margin lending activities. The Company aims at contributing to the development of Vietnam’s Stock market as well as bringing benefit to its clients, its investors, and its shareholders.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

1. THE COMPANY (continued)

Main features of operation of the Company (continued)

Investment restrictions

The Company is required to comply with Article 28 of Circular No. 121/2020/TT-BTC dated 31 December 2020 providing guidance on operation of securities companies by the Ministry of Finance. The current applicable practices on investment restrictions are as follows:

- ▶ Securities companies are not allowed to purchase, contribute capital to invest in real-estate investment except for the purpose of using for head office, branches, and transaction offices serving professional business activities of the securities company.
- ▶ Securities companies may invest in real estate investment and fixed assets on the principle that the carrying value of the fixed assets and real estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.
- ▶ Securities companies are not allowed to use more than seventy percent (70%) of its charter capital to invest in corporate bonds. Securities Company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant regulation on trading Government bonds.
- ▶ Securities companies must not by themselves, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates, ETF and open-ended fund; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its owners' equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total owners' equity in shares, capital contribution and a business project, specifically, invest more than twenty percent (20%) of its total owners' equity in unlisted shares, capital contribution and a business project.
- ▶ Securities company may form or acquire a fund management company as a subsidiary. In this case, the securities company is not required to comply with points mentioned above.

2. BASIS OF PRESENTATION

2.1 *The applicable regulations*

The financial safety ratio report of the Company is prepared and presented in accordance with the regulations under Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratio and remedies applicable to securities companies that fail to meet the stipulated financial safety ratio ("Circular 91"). This financial safety ratio report is prepared on the basis of the financial data of the Company at the reporting date.

2.2 *Purpose of preparation*

The financial safety ratio report is prepared to comply with the regulations on preparation and disclosure of the financial safety ratio report and may not be suitable for other purposes.

2.3 *Reporting currency*

The Company prepares this report in Vietnam dong ("VND").

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT

On 13 November 2020, the Ministry of Finance issued Circular No. 91/2020/TT-BTC (“Circular 91”) on financial safety ratio and remedies applicable to securities companies that fail to meet the stipulated financial safety ratio, to replace Circular No. 87/2017/TT-BTC dated 15 August 2017. The main amendments of Circular 91 include:

- ▶ Supplementing, amending and clarifying a number of indicators determining liquid capital and risk values;
- ▶ Amending and supplementing a number of contents on the financial safety report templates corresponding to the above changes.

Circular 91 took effect from 01 January 2021.

3.1 *Liquid capital ratio*

Liquid capital ratio of the Company is determined using the formula specified in accordance with Circular 91 as follows:

$$\text{Liquid Capital ratio} = \frac{\text{Liquid Capital} \times 100\%}{\text{Total exposures to risks}}$$

In which, total exposures to risks are the sum of exposures to market risk, settlement risk, and operational risk.

3.2 *Liquid capital*

In accordance with Circular 91, the Company’s liquid capital is the total equity that can be converted into cash within ninety (90) days, details as follows:

- ▶ Owners’ equity, excluded redeemable preferred share (if any);
- ▶ Share premium, excluded redeemable preferred share (if any);
- ▶ Conversion option of convertible bonds – Equity component (applicable to securities companies which are convertible bonds issuer);
- ▶ Other owners’ equity;
- ▶ Differences from revaluation of assets at fair value;
- ▶ Foreign exchange rate differences;
- ▶ Charter capital supplementary reserves;
- ▶ Financial and operational risk reserves;
- ▶ Other reserves belonging to owner’s equity in accordance with prevailing regulations;
- ▶ Undistributed retained earnings;
- ▶ Balance of provision for impairment of assets;
- ▶ Fifty percent (50%) of the increase of fixed assets’ value in accordance with prevailing regulations (in case of positive revaluation), or 100% of the total the decreased value (in case of negative revaluation);
- ▶ Decreases to liquid capital (*Note 3.2.1*);
- ▶ Increases to liquid capital (*Note 3.2.2*); and
- ▶ Other capital (if any).

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.2 *Liquid capital* (continued)

3.2.1 *Decreases to liquid capital*

The Company's liquid capital is decreased due to the following items:

- ▶ Treasury shares (if any);
- ▶ Total decrease in value of financial assets recognised at cost equivalent to the difference between market value and carrying value of the assets, excluding the securities issued by the Company's related parties as well as the securities restricted to transfer with the remaining restriction period of more than ninety (90) days as from the date of financial safety ratio report;
- ▶ The escrow value, in case the Company places collateral assets to the banks for banks' guarantee upon the Company's issuance of covered warrants, is determined as the minimal value of the followings: the value of banks' guarantee and the value of collateral assets (equivalent to volume of assets * asset price * (1 – Market risk coefficient));
- ▶ The value of the Company's assets used as collaterals for the Company's obligations with other institutions and individuals, of which the remaining terms are more than ninety (90) days, (equivalent to volume of assets * asset price * (1 – Market risk coefficient));
- ▶ Short-term assets including prepayments, receivables and advances of which the remaining recovery period or settlement period is more than ninety (90) days, and other short-term assets;
- ▶ Long-term assets;
- ▶ The qualified, adverse or disclaimed items on the audited and reviewed financial statements (if any);
- ▶ Securities issued by the Company's related parties in the following cases:
 - The parent company, subsidiaries of the Company;
 - Subsidiaries of the Company's parent company.
- ▶ Securities restricted to transfer with the remaining restricted period of more than 90 days as from the calculation date;
- ▶ Irrecoverable items from other counter parties which are assessed as completely insolvent, are determined at the contract value.

When determining the decreased value to liquid capital, the Company adjusts to reduce the decreasing value as follows:

- ▶ For assets being used to secure the Company's obligations to other organizations or individuals the decrease value shall be deducted by the minimal value of the followings: market value of the assets, book value, residual value of the obligation;
- ▶ For assets secured by assets belonging to other organizations or individuals, the decrease value shall be deducted by the minimal value of the followings: market value of the collaterals, book value.

Accordingly, value of the collateral used in calculating the deduction from the decreases to liquid capital is determined as: Quantity of the asset * Asset price * (1 – Market risk coefficient) in accordance with Circular 91.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.2 *Liquid capital* (continued)

3.2.1 *Decreases to liquid capital* (continued)

The decreases to liquid capital of the items in current and non-current assets do not include the following items:

- ▶ Assets exposed to market risk in accordance with Circular 91, except for securities issued by a subsidiary, parent company or subsidiary of the Company's parent company or securities restricted to transfer with the remaining restriction period of more than ninety (90) days as from the date of calculation;
- ▶ Contracts and transactions exposed to liquidity risk in accordance with Circular 91;
- ▶ Provisions for impairment of assets;
- ▶ Provision for bad debts.

The Company does not calculate exposures to risk for items deducted from the liquid capital.

3.2.2 *Increases to liquid capital*

The Company's liquid capital is increased due to the following items:

- ▶ Total increase in value of financial assets recognized at cost equivalent to the difference between market value and carrying value of the assets, excluding the securities issued by the Company's related parties as well as the securities restricted to transfer with the remaining restriction period of more than ninety (90) days as from the date of financial safety ratio report; and
- ▶ Debts that are convertible to equity, including: convertible bonds, preferred shares and other debt instruments registered to supplement liquid capital with the State Securities Commission and satisfied all conditions stated in Clause 2, Article 7 of Circular 91.

The total value of debt items used to supplement liquid capital must not exceed 50% of the Company's owners' equity. Regarding convertible debts and debts registered to supplement the Company's liquid capital with the State Securities Committee, the Company deducts 20% of their original value each year during the last five (05) years prior to maturity/conversion into common shares and deducts 25% of residual value quarterly during the last four (04) quarters prior to maturity/conversion into common shares.

3.3 *Exposures to market risk*

Exposures to market risk are the potential losses which may occur when the market value of assets which the Company possesses or expected to possess under underwriting issuance commitment fluctuates in negative trend. Exposures to market risk for such assets as stated in Clause 2, Article 9 of Circular 91, including: cash and cash equivalents, monetary market instruments, bonds, shares, funds/shares of securities investment companies are determined by the Company at the end of the transaction day using the following formula:

Exposures to market risk = Net position x Asset value x Market risk coefficient

In particular, net position is the net volume of securities held by the Company at the reporting date, after being deducted by the number of securities lent and increased by the number of securities borrowed in accordance with prevailing regulations.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.3 *Exposures to market risk* (continued)

Exposures to market risk of securities not yet fully distributed from underwriting contracts in the form of a firm commitment, covered warrants issued by the Company and future contracts are determined using the formula presented in Note 3.3.2.

Assets which are excluded when determining exposures to market risk include:

- ▶ Treasury shares;
- ▶ Securities issued by related parties of the Company in the following cases:
 - The parent company, subsidiaries of the Company;
 - Subsidiaries of the Company's parent company.
- ▶ Securities restricted to transfer with the remaining restricted period of more than ninety (90) days as from the calculation date;
- ▶ Bonds, debt instruments and valuable papers in the monetary market which have been matured;
- ▶ Securities which have been hedged by sell warrants or futures contracts; sell warrants and put options which have been used to hedge for underlying securities.

3.3.1 *Market risk coefficient*

Market risk coefficient is determined for each account of assets as specified in Appendix I of Circular 91.

3.3.2 *Asset price*

a. Cash and cash equivalents, monetary market instruments

Value of cash in VND is the cash balance at the calculation date. Value of cash in foreign currencies is the equivalent in VND using the exchange rate published by credit institutions which are allowed to conduct foreign currencies trading at the calculation date.

Value of cash equivalent and money market instruments is the amount deposited or acquisition cost plus accrued interest using the effective interest rate as at the calculation date.

b. Bonds

Value of listed bonds is the average price quoted on the trading system of Securities Stock Exchange on the latest trading day plus accrued interest. In case there is no transaction for such bonds during more than two (2) weeks prior to the date of calculation, the value of bonds is the highest of the following values, accrued interest including: acquisition cost; face value and price determined by the internal valuation methods.

Value of unlisted bonds is the highest of the following, including accrued interest values included: quoted price on the quotation system selected by the Company (if any); acquisition cost; face value; price determined by the internal valuation methods.

c. Shares

Value of listed shares is determined based on the quoted closing prices on Ho Chi Minh Stock Exchange and Hanoi Stock Exchange on the latest trading day prior to the date of calculation.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.3 *Exposures to market risk* (continued)

3.3.2 *Asset price* (continued)

c. *Shares* (continued)

Value of unlisted shares which have been registered on the Unlisted Public Company Market (UpCom) is the quoted closing prices on the latest trading day prior to the date of calculation.

In case there is no transaction for listed shares or shares registered for trading on UpCom within more than two (2) weeks prior to the date of calculation, value of these shares is the highest of the following: book value; acquisition cost and price determined by internal valuation methods of the Company.

Value of shares which are suspended from trading, delisted or cancelled share is the highest of the following values: book value, par value and price determined by internal valuation methods of the Company.

Value of shares which are registered or custodied but has not been listed or registered for trading is the average price of quotations from at least three (03) securities companies which are not related parties of the Company on the latest trading day prior to the date of calculation. If there are no sufficient quotation from at least three (03) securities companies, the value of shares is the highest of the following values: quoted price; value determined in the latest reporting period; book value; acquisition cost; price determined by internal valuation methods of the Company.

Value of shares of organizations under dissolution, or of bankruptcy is 80% of the liquidated value of such shares at the date of preparation on the latest balance sheet, or price determined by internal methods of the Company.

The value of other shares or capital contributions is the maximum of book value; acquisition cost/value of capital contribution; price determined by internal methods of the Company.

d. *Funds/Shares of securities investment companies/ETF fund*

Value of public closed-end fund is the closing price of the latest trading date prior to the calculation date. In case public close-end fund has no transactions in more than two (02) weeks prior to the calculation date, the value is calculated by net asset value ("NAV") per fund certificate at the latest reporting period prior to the calculation date.

Value of member fund/open-end fund/shares of securities investment companies in private issues is the NAV per unit of contributed capital/fund certificate/shares at the latest reporting period prior to the calculation date.

Value of other funds/shares is price determined by the internal methods of the Company.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.3 Exposures to market risk (continued)

3.3.2 Asset price (continued)

e. Future contract

Exposures to market risk of futures contracts are determined by the following formula:

Exposures to market risk = Max {((Settled price at the end of the day – Securities purchasing value) x Market risk coefficient of futures contract - Margin value), 0}

In which:

- ▶ Settled price at the end of the day = Closing price x Open volume.
- ▶ Securities purchasing value is the value of underlying securities purchased by the Company to cover for future contractual obligations.
- ▶ Margin value is the value of assets that the Company deposits for investment, proprietary trading and market making transactions.

3.3.3 Supplemental exposures to market risk

Exposures to market risk of assets are increasingly adjusted in case that the Company over-invests in these assets, except for the securities under firm commitment issuance underwriting contract, Government bonds and bonds guaranteed by the Government. The exposures to market risk are adjusted in accordance with following principles:

- ▶ An increase of 10% if the total value of investment in shares and bonds of a securities issuer accounts for more than 10% to 15% of the owners' equity of the Company;
- ▶ An increase of 20% if the total value of investment in shares and bonds of a securities issuer accounts for more than 15% to 25% of the owners' equity of the Company;
- ▶ An increase of 30% if the total value of investment in shares and bonds of a securities issuer accounts for more than 25% of the owners' equity of the Company.

Dividends, coupons, preference right of shares (if any) or interest of deposits, cash equivalents, negotiable instruments and valuable papers shall be added to the value of asset for the purpose of determining the exposures to market risk.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.4 Exposures to settlement risk

Exposures to settlement risk are the potential losses which may occur when a counter party fails to fulfil its settlement obligation or transfer assets on time as committed. Exposures to settlement risk are determined at the transaction date as follows:

- ▶ For term deposits at credit institutions; certificates of deposit issued by credit institutions; securities borrowing contracts in accordance with legal regulations; repurchase agreements and reversed repurchase agreements in accordance with prevailing regulations; margin loan contracts in accordance with prevailing regulations; receivables from customers in securities trading activities; receivables from matured bonds, valuable papers, mature debt instruments that have not yet been paid; other receivables, contracts, transactions and capital usages exposed to settlement risk.
- ▶ Exposures to settlement risk before the date of securities transfer, cash settlement, contract liquidation shall be determined using the following formula:

Exposures to settlement risk = Value of assets exposed to settlement risk x Settlement risk coefficient of partner

- ▶ For underwriting contracts in the form of firm commitment signed with other organizations in a syndicated underwriting contract in which the Company is the lead underwriter, the exposures to settlement risk value equals 30% of the remaining value of unpaid underwriting contracts.
- ▶ For overdue receivables, other receivables and other assets, securities which have not been received on time, including securities and cash which have not been received from term deposits at credit institutions; certificates of deposit issued by credit institutions; securities borrowing contracts in accordance with prevailing regulations; repurchase and reverse repurchase agreements in accordance with prevailing regulations; matured margin loans in accordance with prevailing regulations, exposures to settlement risk is determined as follows:

Exposures to settlement risk = Settlement risk coefficient by time x Value of assets exposed to settlement risk

3.4.1 Settlement risk coefficient

Settlement risk coefficient is determined based on the type of counterparties and the period as specified in Appendix III, Circular 91.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.4 Exposures to settlement risk (continued)

3.4.2 Value of assets exposed to settlement risk

- a. *Securities borrowing, securities lending, margin lending, repurchase agreements of customers or of the Company*

Value of assets exposed to settlement risk is the market value of the contract determined as follows:

- Exposures to settlement risk is as follows:

No.	Type of transaction	Value of assets exposed to settlement risk
1.	Term deposits, certificates of deposit, unsecured loans; contracts, transactions, capital usage according to Point k, Clause 1, Article 10 of Circular 91.	Total balance of deposit account, certificate of deposit, loan value, contract value, transaction value plus dividends, bond interests, preference value (for securities) or deposits interests, loan interests, other surcharges (for credit).
2.	Securities lending	$\text{Max}\{(\text{Market value of the contract} - \text{Collateral value (if any)}), 0\}$
3.	Securities borrowing	$\text{Max}\{(\text{Collateral value} - \text{Market value of the contract}), 0\}$
4.	Reverse repurchase agreements	$\text{Max}\{(\text{Contract value based on purchase price} - \text{Market value of the contract} \times (1 - \text{Market risk coefficient})), 0\}$
5.	Repurchase agreements	$\text{Max}\{(\text{Market value of the contract} \times (1 - \text{Market risk coefficient}) - \text{Contract value based on selling price}), 0\}$
6.	Margin contracts (loans to customers to purchase securities)/Other economic agreements with the similar nature	$\text{Max}\{(\text{Margin balance} - \text{Collateral value}), 0\}$

Margin balance includes outstanding loan principal, interest and other fees.

Customers' collateral value is determined in line with Note 3.4.3. In case the value of collateral does not have any reference in the market, its value is determined by the internal methods of the Company.

Asset price is determined in accordance with Note 3.3.2.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.4 Exposures to settlement risk (continued)

3.4.2 Value of assets exposed to settlement risk (continued)

b. Securities trading

Value of assets exposed to settlement risk in securities trading is as the following standard:

No.	Period	Value of assets exposed to settlement risk
A – For the selling transactions (seller is the Company or its customers under the securities brokerage activities)		
1.	Before the settlement date	0
2.	After the settlement date	Market value of the contract (if market value is less than trading value)
		0 (if market value is greater than trading value)
B – For the buying transactions (buyer is the Company or the Company's customer)		
1.	Before the securities transfer date	0
2.	After the securities transfer date	Market value of the contract (if market value is less than trading value)
		0 (if market value is greater than trading value)

Settlement/transfer period of securities is T+2 (for listed securities), T+1 (for listed bonds); T+n (for transactions outside the official trading system within n days under agreement of both parties), or in accordance with prevailing regulations (for derivatives).

c. Receivables, matured bonds, matured debt instruments

Value of assets exposed to settlement risk is the value of receivables calculated based on par value, plus unsettled accrued interest, related costs and less cash received previously (if any).

d. Receivables, other receivables and other contracts, transactions, capital usages and assets with potential settlement risk

For contracts and transactions specified at Point k, Clause 1, Article 10, Circular 91, the Company determines as follows:

Value of settlement risk = Value of the asset at risk of payment × 100%

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.4 Exposures to settlement risk (continued)

3.4.2 Value of assets exposed to settlement risk (continued)

d. Receivables, other receivables and other contracts, transactions, capital usages and assets with potential settlement risk (continued)

For advances with the remaining repayment period of less than 90 days, the Company determines as follows:

Value of assets exposed to settlement risk		Risk coefficient	Exposures to settlement risk
Value of all advances	accounts for from 0% to 5% of owners' equity at the date of calculation	8%	Exposures to settlement risk = Value of all assets exposed to settlement risk x Settlement risk coefficient
	accounts for above 5% of owners' equity at the date of calculation	100%	

3.4.3 Decreases to value of collaterals

The value of collaterals shall be deducted from the Company's value of assets exposed to settlement risk if the related contracts and transactions satisfy the following conditions:

- ▶ Counterparties or customers use collaterals to ensure their fulfilment of obligations and their collaterals are cash, cash equivalents, valuable papers, negotiable instruments on the money market, listed securities and securities registered on the Securities Stock Exchange, Government bonds, bonds guaranteed by the Ministry of Finance;
- ▶ The Company has rights to control, manage, use, and transfer collaterals if partners fail to make payment fully and timely as agreed in the contracts.

Value of asset subjected to deduction is determined as follows:

Collateral value = Quantity of assets x Asset price x (1 - Market risk coefficient)

Assets price is determined in accordance with Note 3.3.2.

3.4.4 Supplemental exposures to settlement risk

Exposures to settlement risk are increasingly adjusted in the following cases:

- ▶ An increase of 10% if the value of deposits contracts, certificates of deposits, loans, undue receivables, repurchase agreements, reversed repurchase agreements, the total value of loans to an organization, an individual and a group of related organizations/ individuals (if any) account for more than 10% to 15% of the owners' equity of the Company;
- ▶ An increase of 20% if the value of deposits contracts, certificates of deposits, loans, undue receivables, repurchase agreements, reversed repurchase agreements, the total value of loans to an organization, an individual and a group of related organizations/ individuals (if any) account for more than 15% to 25% of the owners' equity of the Company;
- ▶ An increase of 30% if the value of deposits contracts, certificates of deposits, loans, undue receivables, repurchase agreements, reversed repurchase agreements, the total value of loans to an organization, an individual and a group of related organizations/ individuals (if any), or an individual and related parties of that individual (if any), account for more than 25% of the owners' equity of the Company.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

3.4 *Exposures to settlement risk* (continued)

3.4.5 *Net bilateral clearing value of assets exposed to settlement risk*

Value of assets exposed to settlement risk is subject to net bilateral clearing in cases:

- ▶ Settlement risk relating to the same partner;
- ▶ Settlement risk occurred to the same type of transaction;
- ▶ The net bilateral clearing is agreed in advance via documents.

3.5 *Exposures to operational risk*

Exposures to operational risk are the potential losses which may occur due to technical errors, system errors and business processes, human errors during performing their work, or due to the lack of capital resulting from expenses, losses arising from investment activities, or other objective reasons.

Exposures to operational risk of the Company is determined at the higher of 25% of the Company's operating expenses within twelve (12) consecutive months up to reporting date or 20% of the Company's legal capital.

The Company's operating expenses are determined from total expenses incurred in the period less: depreciation expense; reverse/provision expense for the impairment of short-term, long-term financial asset and mortgage assets; provision expense/reversal of the impairment of receivable; provision expense/reversal of the impairment of other short-term asset; and loss from revaluation of financial assets at fair value through profit and loss ("FVTPL"), interest expense and loss from revaluation outstanding covered warrants payables which has been recognized as expense in the period.

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

4. EXPOSURES TO MARKET RISK

Investment items		Risk coefficient %	Scale of risk VND	Exposures to risk VND
		(1)	(2)	(3) = (1) x (2)
I. Cash and cash equivalents, monetary market instruments				-
1	Cash (VND)	0	46,260,273,434	-
2	Cash equivalents	0	-	-
3	Valuable papers, transferable instruments in the money market, certificates of deposit	0	-	-
II. Government bonds				-
4	Zero-coupon Government bonds	0	-	-
5	Coupon Government bonds	0	-	-
5.1	Government bonds (including treasury bonds and construction bonds previously issued), Government bonds of OECD countries or guaranteed by the Government or the Central Bank of the OECD countries, bonds issued by international institutions such as IBRD, ADB, IADB, AFDB, EIB and EBRD, Municipal bonds.	3	-	-
III. Bonds of credit institutions				7,500,000,000
6.1	Bonds of credit institutions having remaining maturity of less than 1 year, including convertible bonds	3	-	-
6.2	Bonds of credit institutions having remaining maturity of 1 to under 3 years, including convertible bonds	8	-	-
6.3	Bonds of credit institutions having remaining maturity of 3 to under 5 years, including convertible bonds	10	-	-
6.4	Bonds of credit institutions remaining maturity of 5 years or more, including convertible bonds	15	50,000,000,000	7,500,000,000
IV. Corporate bonds				-
Listed corporate bonds				-
7.1	Listed bonds having remaining maturity of less than 1 year, including convertible bonds	8	-	-
7.2	Listed bonds having remaining maturity of 1 to under 3 years, including convertible bonds	10	-	-
7.3	Listed bonds having remaining maturity of 3 to under 5 years, including convertible bonds	15	-	-
7.4	Listed bonds having remaining maturity of 5 years or more, including convertible bonds	20	-	-

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

4. EXPOSURES TO MARKET RISK (continued)

<i>Investment items</i>		<i>Risk coefficient %</i>	<i>Scale of risk VND</i>	<i>Exposures to risk VND</i>
		(1)	(2)	(3) = (1) x (2)
IV. Corporate bonds (continued)				
Unlisted corporate bonds				107,850,000,828
8.1	Unlisted bonds issued by listed firms having remaining maturity of less than 1 year, including convertible bonds	15	10,000,000,000	1,500,000,000
8.2	Unlisted bonds issued by listed firms having remaining maturity of 1 to under 3 years, including convertible bonds	20	18,000,000,000	3,600,000,000
8.3	Unlisted bonds issued by listed firms having remaining maturity of 3 to under 5 years, including convertible bonds	25	35,000,000,000	8,750,000,000
8.4	Unlisted bonds issued by listed firms having remaining maturity of 5 years or more, including convertible bonds	30	-	-
8.5	Unlisted bonds issued by other firms having remaining maturity of less than 1 year, including convertible bonds	25	-	-
8.6	Unlisted bonds issued by other firms having remaining maturity of 1 to under 3 years, including convertible bonds	30	80,000,000,000	24,000,000,000
8.7	Unlisted bonds issued by other firms having remaining maturity of 3 to under 5 years, including convertible bonds	35	200,000,002,367	70,000,000,828
8.8	Unlisted bonds having issued by other firms remaining maturity of 5 years or more, including convertible bonds	40	-	-

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

4. EXPOSURES TO MARKET RISK (continued)

Investment items		Risk coefficient %	Scale of risk VND	Exposures to risk VND
		(1)	(2)	(3) = (1) x (2)
V. Shares				58,526,466,458
9.	Ordinary shares, preferred shares of entities listed in Ho Chi Minh Stock Exchange; open-ended fund certificates	10	239,635,596,290	23,963,559,629
10.	Ordinary shares, preferred shares of entities listed in Hanoi Stock Exchange	15	23,955,373,900	3,593,306,085
11.	Ordinary shares, preferred shares of unlisted public entities registered for trading through UpCom system	20	20,284,049,160	4,056,809,832
12.	Ordinary shares, preferred shares of public entities registered for depository, but not yet listed or registered for trading; shares under IPO	30	-	-
13.	Shares of other public companies	50	53,825,581,824	26,912,790,912
VI. Certificates of securities investment funds				8,568,352,676
14.	Public funds, including public securities investment companies	10	85,683,526,758	8,568,352,676
15.	Member funds, including private securities investment companies	30	-	-
VII. Restricted securities trading				433,424,124
16.	Securities of unlisted public companies which are warned due to the delay in disclosing audited/reviewed financial statements as required	30	-	-
17.	Listed securities which are warned	20	-	-
18.	Listed securities which are controlled	25	-	-
19.	Securities temporarily suspended from trading	40	1,083,280,310	433,312,124
20.	Delisted, cancelled securities	80	140,000	112,000
VIII. Derivative securities				-
21.	Stock index futures contracts	8	-	-
22.	Government bond futures contracts	3	-	-

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

4. EXPOSURES TO MARKET RISK (continued)

Investment items		Risk coefficient %	Scale of risk VND	Exposure to risk VND
		(1)	(2)	(3) = (1) x (2)
IX. Other securities				-
23.	Shares listed in foreign markets included in the benchmark	25	-	-
24.	Shares listed in foreign markets not included in the benchmark	100	-	-
25.	Covered warrants listed on Ho Chi Minh Stock Exchange	8	-	-
26.	Covered warrants listed on Hanoi Stock Exchange	10	-	-
27.	Shares and bonds issued by non-public companies that do not have the most recent audited financial statements available up to the reporting date or have audited financial statements available, but such financial statements were given an adverse, disclaimer or qualified audit opinion	100	-	-
28.	Shares, capital contribution and other securities	80	-	-
29.	Covered warrants issued by the Company		-	-
Calculation: Market risk = Max $\{((P0 \times Q0 \times k - P1 \times Q1) \times R - MD), 0\}$				
30.	Securities formed from hedging activities for the covered warrants issued (in case covered warrants are not profitable)	10	-	-
31.	The positive difference between the value of the underlying securities used by the Company to hedge against the risks of covered warrants and the value of the underlying securities necessary to hedge for covered warrants.	10	-	-
Total Exposures to market risk (I+II+III+IV+V+VI+VII+VIII+IX)				182,878,244,086

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT. (continued)
as at 30 June 2023

5. EXPOSURES TO SETTLEMENT RISK

	Exposures to settlement risk VND
Risks of undue items (Note 5.1)	64,975,083,171
Risks of overdue items (Note 5.2)	40,451,796,933
Risks of advances (Note 5.3)	48,238,400
Supplemental exposures to settlement risk (Note 5.4)	4,904,851,284
Total exposures to settlement risk	110,379,969,788

5.1 Risks of undue items

Type of transactions	Risk coefficient (%)	Exposures to settlement risk (VND)						Total exposures to settlement risk VND
		0% (1)	0.8% (2)	3.2% (3)	4.8% (4)	6% (5)	8% (6)	
1. Term deposits, certificates of deposits, loans without collaterals and receivables from securities trading operations, and other items exposed to settlement risk	-	-	-	-	-	64,048,512,838	926,570,333	64,975,083,171
2. Financial assets lending/other agreements with similar nature	-	-	-	-	-	-	-	-
3. Financial assets borrowings/other agreements with similar nature	-	-	-	-	-	-	-	-
4. Reverse repurchase agreements/other agreements with similar nature	-	-	-	-	-	-	-	-
5. Repurchase agreements/other agreements with similar nature	-	-	-	-	-	-	-	-
TOTAL EXPOSURES TO SETTLEMENT RISK OF UNDUUE ITEMS								64,975,083,171

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

5. EXPOSURES TO SETTLEMENT RISK (continued)

5.1 Risks of undue items (continued)

Details of settlement risk coefficient by counterparties are determined as follows:

No.	Counterparties of the Company	Settlement risk coefficient
(1)	Government, issuers guaranteed by the Government, Government and Central Banks of OECD countries; People's committees of provinces and centrally - controlled municipalities	0%
(2)	Securities Stock Exchanges, Vietnam Securities Depository and Clearing Corporation	0.8%
(3)	Credit institutions, financial institutions, and securities trading institutions which are established in OECD countries and have credit ratings in accordance with the internal policies of securities trading institutions	3.2%
(4)	Credit institutions, financial institutions, and securities trading institutions which are not established in OECD countries, or which are established in OECD countries and do not meet the requirements specified in the internal policies of securities trading institutions	4.8%
(5)	Credit institutions, financial institutions, securities trading institutions, securities investment funds, securities investment companies being established and operating in Vietnam	6%
(6)	Other entities and individuals	8%

(*) Details:

	Carrying value VND	Value of collaterals VND	Carrying amount without collaterals VND	Settlement risk coefficient by counterparties %	Exposures to settlement risk VND
Term deposit	1,067,475,213,972	-	1,067,475,213,972	6	64,048,512,838
Dividend receivables	5,009,298,000	-	5,009,298,000	8	400,743,840
Receivables from services provided by the Company	6,572,831,159	-	6,572,831,159	8	525,826,493
	1,079,057,343,131	-	1,079,057,343,131		64,975,083,171

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

5. EXPOSURES TO SETTLEMENT RISK (continued)

5.2 Risks of overdue items

No.	Overdue period	Settlement risk coefficient (%)	Scale of risk VND	Exposures to settlement risk VND
1.	0 - 15 days after payment due date or date of transferring securities	16	-	-
2.	16 - 30 days after payment due date or date of transferring securities	32	-	-
3.	31 - 60 days after payment due date or date of transferring securities	48	-	-
4.	From 60 days and above	100	40,451,796,933	40,451,796,933
TOTAL EXPOSURES TO SETTLEMENT RISK OF OVERDUE PAYMENTS				40,451,796,933

5.3 Risks of advances

No.	Overdue period	Settlement risk coefficient %	Scale of risk VND	Exposures to settlement risk VND
1.	Advances accounting for 0% to 5% of owners' equity at the calculation date	8	602,980,000	48,238,400
2.	Advances accounting over 5% of owners' equity at the calculation date	100	-	-
TOTAL EXPOSURES TO SETTLEMENT RISK OF ADVANCES				48,238,400

5.4 Supplemental exposures to settlement risk

Exposures to settlement risk is supplemented for deposit contracts and certificates of deposits with financial institutions of which the total deposit amount accounts from more than 10% to more than 25% of the Owners' equity of the Company.

No.	Detail	Settlement risk coefficient %	Scale of risk VND	Exposures to settlement risk VND
1	Term deposits and accrued interest at Southeast Asia Commercial Joint Stock Bank	10%	16,286,186,301	1,628,618,630
2	Term deposits and accrued interest at Vietnam Joint Stock Commercial Bank for Industry and Trade Bank	10%	15,741,386,301	1,574,138,630
3	Term deposits and accrued interest at Joint stock Commercial Bank for Investment and Development of Viet Nam	10%	17,020,940,236	1,702,094,024
TOTAL SUPPLEMENTAL EXPOSURES TO SETTLEMENT RISK				4,904,851,284

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

6. EXPOSURES TO OPERATIONAL RISK

	<i>Items</i>	<i>Amount VND</i>
I.	Total operating expenses incurring within 12 months up to 30 June 2023	613,609,267,790
II.	Deductions from total expenses (<i>Note 6.1</i>)	155,010,043,296
III.	Total expenses after deductions (III = I – II)	458,599,224,494
IV.	25% of total expense after deductions (IV = 25% III)	114,649,806,124
V.	20% Minimum charter capital for business operations of securities companies	50,000,000,000
TOTAL EXPOSURES TO OPERATIONAL RISK (Max {IV, V})		114,649,806,124

6.1 *Deductions from total expenses*

	<i>Value VND</i>
Depreciation expenses	6,069,521,374
Provision for impairment of short-term financial assets and mortgaged assets	3,770,260,095
Reversal of provision for impairment of long-term financial assets	(2,445,621,600)
Provision for impairment of other short-term financial assets	762,437,847
Loss from revaluation of financial assets at FVTPL	35,147,122,485
Interest expenses	111,706,323,095
Total	155,010,043,296

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

7. LIQUID CAPITAL

No.	Contents	Liquid capital		
		Liquid capital VND	Deductions VND	Increases VND
		(1)	(2)	(3)
A	Owners' equity			
1	Owners' equity, excluded redeemable preferred shares (if any)	722,339,370,000		
2	Share premium, excluded redeemable preferred shares (if any)	610,253,166,720		
3	Treasury shares	(496,682,500)		
4	The conversion option of convertible bonds option – equity component	-		
5	Other owners' equity	-		
6	Difference from revaluation of assets at fair value	78,441,492,835		
7	Charter capital supplementary reserves	59,379,106,210		
8	Operational risk and financial reserves	59,379,106,210		
9	Other funds belong to the owner's equity	64,107,298,271		
10	Undistributed profit	700,507,722,912		
11	Provision for impairment of assets	95,016,837,978		
12	Difference from revaluation of fixed assets	-		
13	Foreign exchange rate differences	-		
14	Convertible debts			-
15	Total increase or decrease in securities investment value		10,630,251,324	43,370,200
16	Other capital (if any)	-		
1A	Total			2,378,340,537,512

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

7. LIQUID CAPITAL (continued)

No.	Contents	Liquid capital		
		Liquid capital VND	Deductions VND	Increases VND
		(1)	(2)	(3)
B	Current assets			
<i>I</i>	<i>Financial assets</i>			
1.	Cash and cash equivalents			
2.	Financial assets at fair value through profit and loss (FVTPL)			
	- Securities exposed to market risk			
	- Securities deducted from liquid capital		1,612,428,300	
3.	Held-to-maturity (HTM) investments			
	- Securities exposed to market risk			
	- Securities deducted from liquid capital		-	
4.	Loans			
5.	Available-for-sale (AFS) financial assets			
	- Securities exposed to market risk			
	- Securities deducted from liquid capital		-	
6.	Provision for impairment of financial assets and mortgage assets			
7.	Receivables (Receivables from disposal of financial assets, Receivables and accruals from dividend and interest income)			
	- Receivables due in 90 days or less			
	- Receivables due in more than 90 days		-	
8.	Covered warrant not yet issued			
9.	The underlying securities for the purpose of hedging when the issuing covered warrant		-	
10.	Receivables from services provided by the Company			
	- Receivables due in 90 days or less			
	- Receivables due in more than 90 days		-	
11.	Internal receivables			
	- Internal receivables due in 90 days or less			
	- Internal receivables due in more than 90 days		-	
12.	Receivables due to error in securities transactions			
	- Receivables due in 90 days or less			
	- Receivables due in more than 90 days		-	
13.	Other receivables			
	- Other receivables due in 90 days or less			
	- Other receivables due in more than 90 days		4,502,943,754	
14.	Provisions for impairment of receivables			

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

7. LIQUID CAPITAL (continued)

No.	Contents	Liquid capital		
		Liquid capital VND	Deductions VND	Increases VND
		(1)	(2)	(3)
B	Current assets			
II	Other current assets			
	Advances			
1.	- Advances with the remaining repayment term of 90 days or less			
	- Advances with the remaining repayment term of more than 90 days		-	
2.	Office supplies, tools and materials		2,784,881,380	
3.	Short-term prepaid expenses		4,179,190,795	
4.	Short-term deposits, collaterals and pledges		-	
5.	Deductible value added tax		-	
6.	Tax and other receivables from the State		-	
7.	Other current assets		-	
8.	Provision for impairment of other current assets			
1B	Total			13,079,444,229
C	Non-current assets			
I	Long-term financial assets			
1.	Long-term receivables		-	
2.	Investments			
	HTM investments			
2.1	- Securities exposed to market risk			
	- Securities are deducted from liquid capital		-	
2.2	Investments in subsidiaries		-	
2.3	Other long-term investments		123,275,040,000	
II	Fixed assets		19,037,832,918	
III	Investment properties		-	
IV	Construction in progress		-	
V	Other long-term assets			
1.	Long-term deposits, collaterals and pledges		2,475,719,930	
2.	Long-term prepaid expenses		7,014,873,276	
3.	Deferred income tax assets		-	
4.	Deposit for Settlement Assistance Fund		20,000,000,000	
5.	Other long-term assets		-	
VI	Provision for impairment of non-current assets			
	The qualified, adverse or disclaimed items on the audited, reviewed financial statements that are not deducted according to Article 5, Circular 91/2020/TT-BTC		-	
1C	Total			171,803,466,124

Bao Viet Securities Joint Stock Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)
as at 30 June 2023

7. LIQUID CAPITAL (continued)

No.	Contents	Liquid capital		
		Liquid capital VND	Deductions VND	Increases VND
		(1)	(2)	(3)
D	Escrow, collateral items			
1	Value of the escrow			
1.1	The value of contribution to Settlement Assistance Fund of VSD (for derivative market)		-	
1.2	The value of contribution to the clearing fund of the central settlement counterparty for the open position of the clearing member (for derivative market)		-	
1.3	Value of cash escrow and banks' guarantee for issuing covered warrants		-	
2	Value of collaterals of obligations which due in more than ninety (90) days		-	
1D	Total			-
LIQUID CAPITAL = 1A-1B-1C-1D				2,193,457,627,159

Notes:

 Non-applicable for the preparation of the financial safety ratio report

8. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the interim balance sheet date that requires adjustment or disclosure in the financial safety ratio report of the Company.



Ms. Nguyen Hong Thuy
Chief Accountant



Mr. Le Thinh Vuong
Deputy Head of Legal and
Internal control



Mr. Nhu Dinh Hoa
Chief Executive Officer

Hanoi, Vietnam

11 August 2023